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China Wacan Group Company Limited **中國網成集團有限公司**

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1920)

VOLUNTARY ANNOUNCEMENT **COMMENCEMENT OF NEW BUSINESS**

This announcement is made by the board (the “**Board**”) of directors (the “**Directors**”) of China Wacan Group Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis and for the purpose of informing the shareholders (the “**Shareholders**”) and potential investors of the Company on the latest business development of the Group.

The existing business of the Group is primarily involved in the provision of wet trades works and other wet trades related ancillary works and the provision of construction information technology services. The Company has been endeavouring to improve the operations and financial position of the Group, actively seeking to introduce new business to develop new sources of income for the Group and facilitating the future diversified development of the Group to achieve the best interests of the Shareholders. The Board hereby informs the Shareholders and potential investors that the Group intends to commence a new beauty business in addition to its existing business, in order to provide high quality beauty services, nutritional healthcare products and health services (the “**New Business**”). In view of the pursuit of beauty of consumers in China and around the world, the improvement of health awareness and changes in lifestyles, huge business opportunities have emerged in the beauty industry-related businesses. At the same time, Mr. Zhou Zhenlin, the chairman of the Board, has extensive experience in the business areas of skincare and beauty products and health management. The Board believes that commencement of the New Business will help to achieve diversification in the business of the Group and its sources of income.

The New Business will be developed around comprehensive consumer services to meet consumers’ needs for beauty products and services, including: cosmetics, beauty and skin care products, nutritional and healthy food, lifestyle beauty, medical beauty and health management and other fields, its main business model will be: the Group will in the future set up joint ventures and physical stores with local partners in first- and second-tier cities of China, and provide product sales, lifestyle beauty services, medical beauty consulting services, health management consulting services, comprehensive shopping services, as well as overall operation management and business guidance services to each of such joint venture companies and physical stores, management fees and consulting service fees will be charged by the Group based on the annual revenue of each of these joint ventures and physical stores.

The Board would like to emphasise that the New Business may or may not proceed and that no legally binding agreements have been entered into by the Group in relation to the New Business as at the date of this announcement. If the New Business materialises, the Company will make further announcements as and when appropriate in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
China Wacan Group Company Limited
Zhou Zhenlin
Chairman and Executive Director

Hong Kong, 30 December 2024

As at the date of this announcement, the Board comprises Mr. Zhou Zhenlin, Mr. Cheung Kwok Fai Adam, Mr. Ng Sheung Chung and Mr. Ma Kan Sun as executive Directors and Ms. Ding Xin, Mr. Zhu Qi and Ms. Zhang Lingke as independent non-executive Directors.

* *For identification purposes only*